

JUN 8 1999

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metals recovery is allowed only in a scrap metal recovery oven or smelter operating in compliance with 40 CFR 761.72.

3. Under the above scenario, would the resource metal materials need to be separated into separate storage bins by PCB concentration (i.e. non-PCB, PCB Contaminated) and would the PCB Contaminated resource metals need to be manifested for transportation to [the company] where the reclamation process is completed?

If you intend to dispose of non-PCB materials separately from PCB-Contaminated components and materials, you must store and otherwise manage these materials so as to prevent cross-contamination and to be able to track the PCB concentration attributable to a specific waste. Your facility is a generator of PCB waste, and the owner or operator of the facility is responsible for ensuring that the ultimate disposal of the PCB waste is in compliance with regulatory requirements.

EPA is in the process of promulgating a technical correction to 40 CFR 761.60(b)(6) to clarify that PCB-Contaminated Electrical Equipment from which all free-flowing liquids have been removed is not subject to the manifesting requirements of 40 CFR Part 761, Subpart K. We expect this change to be effective by the end of this month. The technical corrections will be published in the Federal Register and will be posted on our website, www.epa.gov/pcb. In the meantime, you must manifest these materials.

Finally, please keep in mind that all tools and equipment used to disassemble or otherwise process PCB-Contaminated Electrical Equipment are considered contaminated and must be decontaminated in accordance with §761.79(c)(2) prior to their being used in a non-PCB process or operation.

I hope this letter assists you in understanding your obligations under the PCB Disposal Amendments. If you have any further questions, please call Laura Casey at (202) 260-1346.

Sincerely,



John W. Melone, Director
National Program Chemicals Division



April 15, 1999

Mr. Tony Baney
7404
USEPA HQ
401 M Street S.W.
Washington D.C. 20460

Mr. John H. Smith
USEPA HQ

RE: PCB Mega Rule Amendments – PCB Contaminated Electrical
Equipment at Section 761.60 and Section 761.79 - Request For
Determination of Applicability

Dear Tony:

As Director of Environmental Services for the Texas Statewide Association it is my direct responsibility to insure that our transformer repair facility is applying the PCB regulatory requirements properly. In an effort to gain clarification on this matter I spoke with John Smith, of your staff, on the telephone regarding the applicability of the new decontamination standard identified at Section 761.79, as it might apply to the salvaging of PCB Contaminated Electrical Equipment for reclamation / reuse. Mr. Smith's explanation on this issue confirmed my previous assumptions. Due to the operational impact that these items represent to our company I am requesting written confirmation from your office on these matters.

In 1995, Texas Electric Cooperatives (TEC) established a PCB Elimination Program for all of its 85 electric cooperatives and generating and transmission cooperatives in the state of Texas. TEC has taken a proactive position toward elimination of PCBs from the environment. It is not the intention of TEC to put into reuse any previously contaminated part of any electrical equipment. As referenced in EPA's memorandum correspondence dated September 11, 1986, (Policy Interpretation Regarding Disposal of PCB-Containing Equipment), a determination was made by EPA that the salvaging of drained

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PCB Contaminated Electrical Equipment metal resources (i.e., copper, aluminum, and metal carcass) was an acceptable practice. With regard to the new *Disposal Requirements at Section 761.60 and the new Decontamination Standards found at Section 761.79*, I would ask for your clarification and determination on the following scenario:

Company "A" receives pole mount and pad mount distribution transformers, regulators, and power transformers for repair and or remanufacture at their facility. After oil samples are collected and analyzed it is determined that the unit is PCB Contaminated Electrical Equipment (>50 - <499ppm PCB). The PCB contaminated unit is moved into the PCB Storage area for disassembly. Within the PCB Storage area the unit is disassembled and all free flowing oil is removed. At this point the coil and core are removed and allowed to drain for an additional period of time. The clean (removal of free flowing oil) carcass is then transported and stored on site in a roll-off dumpster for transportation to a metals recycling facility. After draining, the coil and core are removed from the PCB storage area and transported by cart to the coil stripping machine where the coil is cut away from the core and placed into metal storage bins according to metal type and grade. The resource metals are then stored for sale and transportation to company "B" for completion of the reclamation process. Company "B" utilizes a granulator or sweat furnace and smelting oven to reclaim these metals.

TEC's interpretation of this scenario is that the salvaging materials would meet the conditions of "unregulated" disposal and would still be allowed under the amendments to the PCB regulations. As noted in the letter dated September 11, 1985, (attached) from the Chemical Regulation Branch, "Salvaging aimed at reclamation of the metal resources found in the case and coil generally constitutes disposal, because the PCBs are destroyed by the high temperature employed in the reclamation process." TEC's current operations meet the salvage options for drained carcasses of PCB Contaminated Electrical equipment as previously determined. TEC feels that requiring a facility to perform decontamination activities on unregulated resource metals is an operational burden, which not only creates additional waste streams and increases employee man hours to perform decontamination methods but, significantly increase costs associated with this process. We believe that our current process of handling the unregulated material for reclamation is more than sufficient.

Please review the scenario described above and provide your offices interpretation on the current operation as it relates to the correspondence from the Office of Toxic Substances, as well as, the questions listed below:

- Q1. Under the above scenario, would the PCB contaminated resource metal material (for reclamation) meet the conditions found within Section 761.60 (b)(4), PCB Contaminated Electrical equipment?
- Q2. Under the above scenario, would resource metals for reclamation generated by company "A" need to meet the decontamination standards found in Section 761.79, or is the determination issued by EPA on September 11, 1986, still a valid and acceptable process?
- Q3. Under the above scenario, would the resource metal materials need to be separated into separate storage bins by PCB concentration (i.e., non-PCB, PCB contaminated)?, and would the PCB contaminated resource metals need to be manifested for transportation to company "B" where the reclamation process is completed?

Your determination on the above issues would be greatly appreciated. While some of these issues discussed above may seem trivial, they have significant impact on our operations. Your staff has been very helpful in assisting us with proper application of the rules regarding our company's specific situations. I look forward to receiving your response in the near future.

If you need any additional information or clarification on these items, please do not hesitate to contact my office at 512-868-8610 x306.

Sincerely,



David L. Shaw

Texas Electric Cooperatives, Inc.

DLS/ds

Enclosure

c: Wilburn Neyland



Mike →
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

SEP 11 1986

OFFICE OF
PESTICIDES AND TOXIC SUBSTANCES

MEMORANDUM

SUBJECT: Policy Interpretation Regarding Disposal of
PCB-Containing Equipment

FROM: Suzanne Rudzinski, Chief *Suzanne Rudzinski*
Chemical Regulation Branch (TS-798)

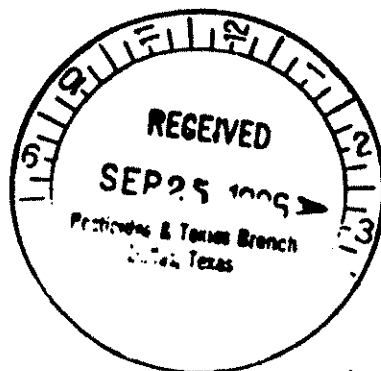
TO: Regional Branch Chiefs
Regional PCB Coordinators

Recently OTS was asked to interpret the disposal requirements for PCB-contaminated transformers, particularly what limits, if any, applied to scrap and salvage of such items. Attached for your information is a September 9, 1986 letter to Toni Allen, which defines the Agency's policy on this issue. The OPTS response confirms that the status of such drained equipment is still as it was at the time of the promulgation of the PCB Ban Rule--namely, salvaging under the conditions stated in the OPTS response is one type of "unregulated" disposal allowed under the PCB regulations. This letter is being disseminated to scrap and salvage dealers as well as utility companies.

If you have additional questions regarding this issue, please call Richard La Shier, FTS 382-3967 or myself on FTS 382-3935.

Attachment

cc: M. Walker
B. Pittman
D. Ferris
J. Neylan
J. Seitz
D. Hanneman
C. Breece
J. Nelson
J. Dain





UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

SEP 9 1986

OFFICE OF
PESTICIDES AND TOXIC SUBSTANCES

Ms. Toni K. Allen
Law Offices of
Piper & Marbury
888 Sixteenth Street, N.W.
Washington, D.C. 20006

Dear Ms. Allen:

This is in response to your August 12, 1986, letter, which expressed a concern on the part of the Utility Solid Waste Activities Group (USWAG) about recent interpretations under the TSCA rules for polychlorinated biphenyls (PCBs). Specifically, your letter raised the question whether there had been a change in the Agency's position regarding the disposal of drained carcasses from mineral oil transformers which, prior to being drained, contained fluid contaminated with PCBs in concentrations below 500 ppm.

As you point out in your letter, EPA regulations state that the disposal of drained PCB-contaminated equipment (including mineral oil transformers) is not regulated by the PCB disposal regulations at 40 CFR §761.60. This has been the case since the promulgation of the "PCB Ban Rule" on May 31, 1979 (44 Federal Register 31547). In the proposed Ban Rule (43 Federal Register 24802 et seq., June 7, 1978), EPA explained that "unregulated" disposal of this equipment would allow it to be sold for salvage. While EPA did not propose any restrictions on salvage operations, the Agency did solicit comments on salvage practices and the need for specific regulatory controls on salvaging to prevent undue environmental exposure to PCBs. After considering the comments and testimony received on this issue, EPA elected not to alter the proposal. The Agency concluded that because of the low concentration PCBs involved (<500 ppm), and because of the benefits derived from reclaiming valuable metal resources, the unrestricted salvaging of drained carcasses would not present an unreasonable risk. (See March, 1979, Support Document/Voluntary Environmental Impact Statement for this rulemaking). EPA has consistently followed the position that drained mineral oil (<500 ppm PCBs) carcasses can be disposed of!

as scrap. (See The PCB Regulations Under TSCA: Over 100 Questions and Answers to Help You Meet These Requirements, August, 1983). Of course, the option to dispose of drained equipment as salvage is available only for drained carcasses which previously contained PCBs below 500 ppm; the salvage option is not available for "PCB Transformers" with PCB concentrations above 500 ppm.

Recently, confusion has arisen as to whether other aspects of the PCB regulations affect the salvaging of PCB Contaminated equipment. We note, for example, that while the PCB regulations do not impose specific controls on salvaging operations, scrapping practices which result in spills and other uncontrolled discharges of PCBs are regulated as improper disposal, and subject the scrapper to clean-up requirements under the PCB disposal regulations. The PCB containing fluids which have not been drained from the carcasses are always regulated as PCB wastes under these regulations.

Moreover, because salvaging involves the sale of the drained equipment to one or more scrap dealers, the question arises as to the applicability of the TSCA 56(e)(3) ban on the distribution in commerce of PCBs and PCB Items. One could construe the sale of drained equipment to a scrap dealer as distribution in commerce (and therefore prohibited without an exemption), but such a construction would not comport with the intent reflected in the Ban Rule record to treat salvaging of such equipment as a method of "disposal." Rather, each of the transactions involved in ultimately scrapping such equipment is exempted from the ban on distribution in commerce because it is either disposal or distribution in commerce for purposes of disposal. (40 CFR §761.20(c)(2), 761.20(c)(4)).

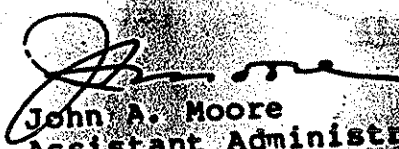
However, the regulatory definition of "disposal" imposes some limitations on the salvaging practices which may be engaged in by scrappers without an exemption from the distribution in commerce ban. To qualify as disposal, the practice must be one which would "... otherwise complete or terminate the useful life of PCBs or PCB Items." (40 CFR §761.3). Indeed, "unregulated" disposal of drained carcasses means only that disposal in approved incinerators or chemical waste landfills is not required; it does not free the equipment (or its components) from the requirement that disposal terminate the useful life of the PCB equipment. Salvaging aimed at reclamation of the metal resources found in the case and coil generally constitutes disposal, because the PCBs are destroyed by the high temperatures employed in the reclamation process. However, where salvaging consists of disassembling the drained equipment to obtain parts intended for reuse in other equipment, the useful life of the equipment has not been fully terminated. So, the sale of any components containing detectable levels of PCBs, without an exemption, is prohibited for distribution in commerce of PCBs. Likewise, while typical metals reclamation methods can be expected to destroy residual PCBs, the sale of any metals

remaining contaminated after reclamation also is prohibited without an exemption.

In sum, salvaging of <500 ppm drained equipment is unregulated to the extent that: (1) Scrapping practices do not result in spills or uncontrolled discharges of PCBs, and (2) any PCB-contaminated components are not reintroduced into commerce. Contaminated transformer components cannot be resold as parts to anyone without an exemption from the ban on distribution in commerce. Also, equipment that is rebuilt using contaminated parts from a salvaged carcass cannot be sold to another without an exemption unless the rebuilt equipment can be reclassified as "non-PCB."

I have enclosed for your reference a document entitled "Salvage Options for Drained Carcasses." This document summarizes in graphic form the relationship between salvaging and other activities regulated under the PCB regulations. Should you have additional questions, please contact Suzanne Rudzinski on 382-3935.

Sincerely,


John A. Moore
Assistant Administrator
for Pesticides and
Toxic Substances

Enclosure

SALVAGE OPTIONS FOR DRAINED CARCASSES
(Equipment Under 500 ppm PCBs)

